Open Gmail and download the letter attached to your email. It’s a letter from your old friend Yi.

Read the letter carefully and then open Excel and calculate the breakeven point.

Then calculate the volume (the number of pizzas) necessary for the profit target.

You will have remembered that BE is breakeven, **FC** is fixed costs**, P** is profit, SP is the selling price and **VC** variable cost.

You will need to use the round function if your answer is not a whole number.

=ROUNDUP (B5, 0) is an example of the round function, rounding the number in b5 to a whole number.

An example of an excel presentation: Use column B for the numbers, Column C for rounded numbers where applicable.

|  |
| --- |
| **Column A Column B Column C**  Fixed cost |
| Variable Cost |
| Unit Selling price |
| Profit Target |
| Breakeven |
| Including profit |
|  |
| Daily (optional) |
| Weekly (Optional) |

Format the worksheet as comic sans, 12 point.

Answer the letter from your friend incorporating the excel calculation into your word document. Format the word document the same as the excel sheet.

Remember Yi is your old friend so tell him how happy you are to hear from him and offer him encouragement and business advice.

Send an email to your teacher and attach your reply to Yi.